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SUBJECT: COGAT REVIEWS POLICIES AND PROCEDURES WITH

VISITING IPA DIRECTOR

TEL AVIV 00002364 001.2 OF 003

11. (U) SUMMARY. In response to an October 21 comment made during the JPMG that Israel should expand access to Gaza, Coordinator for Government Activities in the Territories (COGAT) Amos Gilad asked that visiting NEA/IPA Director Thomas Goldberger meet with COGAT Head of Foreign Relations Lt. Col. Uri Singer on October 22 to review COGAT procedures and policies regarding the entry of goods into Gaza. Singer outlined approval procedures, highlighted GOI priorities, and discussed the status of World Bank projects and OQR and Serry Initiative requests. END SUMMARY.

Approval Procedures Outlined

12. (U) Singer reviewed COGAT's procedures for Gaza entry of commercial goods as well as humanitarian supplies. He clarified the distinction--which has caused grave misunderstandings in the past--between high-level "agreement in principle" to go forward with a project, and the final approval and coordination for entry of specific materials or humanitarian supplies after dual-use issues have been resolved. Asked what constituted humanitarian supplies, Singer responded that Israel works according to the Paris Protocol and allows in supplies that benefit the civilian population, but not Hamas, which the GOI considers a hostile entity. Specifying further, Singer said that, provided non-dual-use requirements are met, Israel approves basic foodstuffs, supplies to support the health system, supplies for children (including a bounce castle for UNRWA,s summer program), and supplies to maintain water, sewage, the electrical grid and the environment. Under the current policy, because of the potential for benefit to Hamas, construction supplies for shelter are problematic and considered on a case-by-case basis.

-- Commercial goods: The private sector approaches the PA Economic Ministry in Ramallah with its requests. The PA Economic Ministry creates and approves a list of commodities for the next day, and transmits this list to the Gaza Coordination and Liaison Administration to the Gaza Strip (Gaza CLA), which coordinates the list of truckloads for the specified food, fuel and commodities. Private-sector requests for items already approved for entry as humanitarian supplies are normally approved. If requests include non-pre-approved dual-use items (typically, requests for such items come from companies that know about and utilize the pre-clearance process), the Gaza CLA forwards the requests to the dual-use committe for approval. NOTE: David Elmariach was named to the position of Gaza CLA earlier this week. END NOTE.

approach the Gaza CLA with their requests. The requests are subject to dual-use approval. Once this is obtained, the Gaza CLA coordinates the shipments.

--Special procedure for USAID, World Bank etc.: COGAT has developed a special procedure for USAID and other known organizations that regularly send humanitarian supplies or undertake large projects and require pre-approvals before materials may be procured. USAID approaches the COGAT Foreign Relations Branch (or, in some cases, COGAT Amos Gilad directly) with project proposals for pre-approval, or "approval in principle." Once this general concurrence is obtained, a list of technical details for all required items must be submitted to the COGAT Foreign Relations Branch, which forwards the request to the dual-use committee for approval. Once non-dual-use approval has been obtained, COGAT issues final approval and works with the Gaza CLA to coordinate shipments. For instance, Singer said, the GOI has approved greenhouses "in principle" and is now working hard to find ways to mitigate the danger posed by the pipes that are part of the greenhouse structure. Once this dual-use issue is resolved, the greenhouses will get their final approval.

Priorities: WATER, SANITATION AND ELECTRICITY

13. (U) Singer re-emphasized Israel's commitment to maintenance of the electrical grid, water supply infrastructure and sewage infrastructure in the Gaza strip, to prevent public health and environmental disaster (which would undoubtedly also affect Israel). Drawing on an ICRC powerpoint report, Singer described the maintenance and upgrade needs at each of the sewage treatment facilities. During this brief, he noted, for example, that approval had already been granted for a German-funded project to upgrade

TEL AVIV 00002364 002.2 OF 003

the Middle Gaza facility to increase capacity to 72,000 cubic meters of sewage per day (up from current 35,000 cubic meter treatment capacity and 51,000 cubic meter daily sewage production in the relevant area). An upgrade of the Khan Younis facility, (designed to treat 8,000 cubic meters per day but now intaking 10,000 cubic meters per day) is planned, to bring its capacity to 12,000 cubic meters per day. Further, Singer reminded that the World Bank received written assurances that it could go forward with the North Gaza (NGEST) upgrade over two years ago, assurances Singer reiterated to the World Bank's David Craig repeatedly in the interim, but the project has effectively stalled. Goldberger noted that the USG is trying to drum up U.S. company interest in a current World Bank tender to move this project forward; to this, Singer replied that some companies should be willing and able, since they already operate in more dangerous locations, such as Iraq and Afghanistan.

- 14. (U) To mitigate ever-present concerns about potential theft of construction materials from the site, and for the protection of site workers, the World Bank has agreed to the following conditions for the NGEST project:
- -- daily coordination with the IDF, to prevent unintended activity;
- -- daily coordination for any work to be performed at night;
 -- workers must wear vests to identify themselves as
 legitimate;
- -- photographic evidence must be presented to demonstrate progress and to prevent dual-use applications before the subsequent shipment will be allowed access to Gaza.
- 15. (U) For these and other construction projects, COGAT, which is prohibited by GOI policy from engaging with Hamas, uses the ICRC Water and Habitat Service (ICRC WatHab) as an intermediary, since they engage directly with the Coastal Municipalities Water Utility (CMWU), which engages with both the Palestinian Water Authority (PWA) and the municipalities.

16. (U) Asked about the projects in the Serry Plan, Singer said that there are several fundamental problems with the proposals. The projects are not clear-cut humanitarian efforts, and it is impossible to tell who the beneficiaries will be. For example, because several of the proposals are continuations of pre-Operation Cast Lead projects, they are technically "development" not "reconstruction" and so run counter to current GOI policy. Further, UNSCO refuses to work under the conditions which the World Bank has accepted (outlined above), raising additional concerns about dual-use potential. Singer said that COGAT had been encouraging UNSCO to consider upgrading the Khan Younis sewage treatment plant or to undertake hospital upgrades instead of the proposed sports facilities and (UNDP) housing development projects, but so far had not received a positive response.

Other issues

- 17. (U) Asked about the OQR list, Singer told Goldberger that the top five projects on the list had been approved previously, but so far coordination to bring items into Gaza had not been requested.
- 18. (U) UNWRA's armored vehicles, which arrived at Ben Gurion without prior coordination or permits about half a year ago, are scheduled to enter Gaza before the end of October. Because there was no prior coordination, Singer said it is highly unlikely that the GOI would reimburse UNRWA for demurrage costs incurred in the interim.
- 19. (U) Singer clarified that the PA Ministry of Health--not the GOI--had prevented shipment of baby formula to Gaza, because the product had exceeded its expiration date. Singer told ECON later in the day that 150 truckloads of baby formula had entered Gaza since Operation Cast Lead.
- 110. (SBU) Goldberger also asked if COGAT and the GOI had done any thinking about "the day after" Gilad Shalit was released, and the steps they would take to improve access. Singer emphasized that it was a political issue, but said that COGAT and MFA had already started the technical planning. NOTE: The MFA has engaged KPMG to help develop end-use assurance procedures, and has also been briefed repeatedly by USAID on its procedures. END NOTE. Singer noted that the World Bank procedures, and the procedures they will develop for the

TEL AVIV 00002364 003.2 OF 003

Serry plan, will serve as the model once development can begin.

111. (U) Asked later in the day on October 22 about press reports asserting a "new policy" to allow coffee and tea into Gaza, Singer clarified to ECON that this was simply a reaffirmation of a prior approval, not a change in policy. He added that as of October 21, fresh pomegranates would be allowed into Gaza in season.

CUNNINGHAM